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Lynn Shapiro Starr Vice President Regulatory Affairs



March 25, 1999

OFFICE OF THE SECRETARY

Ms. Magalie Roman Salas, Secretary Federal Communications Commission 445 12th Street, SW Washington, DC 20554

Re.

Ex Parte Presentation CC Docket 96-98

Dear Ms. Salas:

Attached is a written ex parte in response to a staff request for cost information regarding Ameritech's Shared Transport Proposal (see Ex Parte Statement in CC Docket 96-98 filed March 5, 1999).

Pursuant to the Commission's rules, two copies of this written ex parte are being provided for inclusion in the above referenced docket.

Sincerely,

Attachment

cc:

Carol Mattey Jake Jennings

> No. of Copies rec'd List ABCDE

ST-Transit Service in Conjunction with FCC Shared Transport

This Transit Service (ST-Transit Service) is available to work in conjunction with the Shared Transport as provided and described by the FCC's Third Order on Reconsideration and Further Notice of Proposed Rulemaking (FCC 97-295).

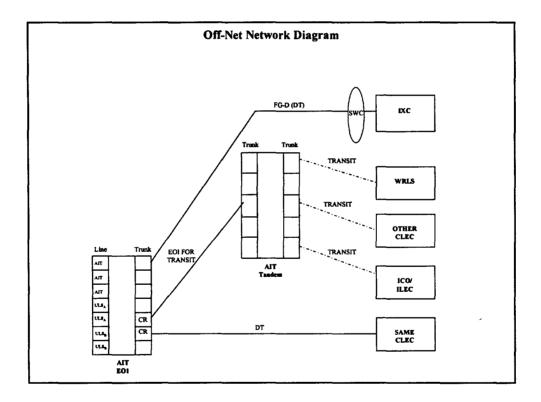
DESCRIPTION

The ST-Transit Service will be provided to work in conjunction with the Shared Transport. (Shared Transport is described in the Ohio Functional Description Tab 1 of the Ohio Cost Study, case # 96-922-TP-UNC.)

Ameritech's existing Transit Service is defined and structured as a service between two parties external to Ameritech's network. Therefore, there was a need to create a new transit function which allows CLECs, who subscribe to Ameritech's ULS and Shared Transport, to originate traffic and complete it through Ameritech's network to other switches owned by 3rd parties.

Ameritech will provide ST-Transit Service as a substitute for the dedicated transport requirement defined by the FCC to 3rd party switches. This transit function is detailed under the terms and conditions of this document.

All traffic to non-Ameritech switches will utilize either dedicated transport (not Shared Transport) or the ST-Transit Service, where applicable. See the following diagram.



ST-Transit Service in Conjunction with FCC Shared Transport

TERMS & CONDITIONS

Access to ST-Transit Service is only provided through ULS line ports subscribed to by the CLEC for the CLEC's end users and in conjunction with Ameritech's Shared Transport.

For all local exchange traffic to non-Ameritech switches originated by its end users and destined to a 3rd party's switch, the CLEC must do one of the following:

- establish their own dedicated transport between the two offices
- or use a dedicated EOI transit trunk between the end office and the tandem, and Ameritech's ST-Transit service at the tandem

To use ST-Transit Service to reach a 3rd party's switch the CLEC is subject to the following:

- Establishing a ULS trunk port at each Ameritech end office switch location where subscribing to ULS and at the tandem
- Establishing EOI Local and IntraLATA Toll trunk group(s) to the tandem(s)
- Establishing unique routing in each Ameritech end office switch to direct off-net traffic to these dedicated routes (i.e., all traffic that neither terminates at a switch owned by Ameritech nor the requesting CLEC)
- Charges related to ST-Transit Service

All necessary dedicated transport and EOI transit routes must be in place at the time the CLEC begins the use of Shared Transport.

Since switches do not identify all carriers involved with a call, an Originating Carrier Pays (OCP) concept will apply for local and intraLATA traffic:

- The originating ULS carrier will be billed for originating and terminating switching and shared transport and applicable terminating charges for calls to 3rd party switches
- AIT will complete calls from 3rd party switches; AIT will bill the originating carrier
- The terminating carrier will not be charged for incoming traffic and therefore will incur no incremental cost
- Because the originating carrier will incur the cost, compensation to the terminating carrier will not be necessary
- All local and intraLATA traffic will be billed from the originating record
- Terminating records are not available and will not be required

COST

The costs that are being provided here are <u>only</u> for ST-Transit Service and the necessary EOI trunk to the tandem. They do not include any additional cost components for ULS and Shared Transport.

The cost details provided identify the cost components and do not suggest a rate element or rate structure.

No demand has been included, only cost components.

The following are the cost components that have been identified for ST-Transit Service:

- EOI trunk and dedicated trunk ports at the end office and tandem
- Custom routing at each end office
- The use of switching at the tandem
- The use of a shared trunk port at the tandem
- The use of AIT shared facilities to the 3rd party
- The charge for recip comp from the 3rd party
- Billing changes depending on the rate structure chosen
- Development and training of line organizations Methods & Procedures
- Development and publishing of customer documentation

ST-Transit Service in Conjunction with **FCC Shared Transport**

COST IMPACT

Custom Routing Costs

ULS Custom routing to direct traffic to EOI trunk

(included cost of 3 Line Class Codes per Switch @ \$305.67/LCC)

Recurring = none Non-recurring =

EOI Costs

EOI trunk port at the Tandem

Recurring = none Non-recurring =

Administrative \$ 50.00/order Design & Central Office \$100.00/trunk port Customer Connect \$ 15.00/trunk port **TOTAL** \$165.00/trunk port

\$917.01/switch

Facility (transport) between AIT EO and AIT Tandem for EOI Trunk

• If TC chooses to self-provision transport Costs Unknown

If TC chooses to get transport from 3rd party Costs Unknown

If TC Chooses AIT LT1 (DS1) from the Switched Access Tariff

Recurring = Non-recurring =

LT1 Trunk Port at EO \$160.25 Administrative \$ 50.00/order

Design & Central Office at EO \$250.00/LT1 Channel Mileage Term at EO \$ 81.00

Channel Mileage EO/Tdm Design & Central Office at Tdm\$250.00/LT1 Trunk Port (\$25.00/mile X 10 miles) \$250.00 Cust Connect For Clear Channel\$325.00/LT1 (Optional)

Channel Mileage Term at Tdm \$ 81.00 TOTAL \$875.00/LT1

TOTAL \$572.25 /month

Transit Costs

Transit Usage (estimated based on tariffed TELRIC rates in Illinois & Michigan) \$.00500/mou (Note: Because Transit could be provided by any carrier these rates should

move to market place based rates.)

3Rd Party Costs

3rd party Terminating Charges (estimated average based on recip comp pymts) \$.00700/mou

NOTE: Rates used for above are based on Ohio Tariff unless otherwise noted

Summary Of EOI and ST-Transit Service MOU Cost

	Assume 9000 mou/trunk	Assume 7440 mou/trunk
Allocation of EOI	\$.002649/mou	\$.003205/mou
Transit Usage	\$.005000/mou	\$.005000/mou
Charges from terminating 3 rd party	\$.007000/mou	\$.007000/mou
TOTAL:	\$.014649/mou	\$.015205/mou

Summary Of EOI and ST-Transit Service NRC Cost

(Assume 24 Trunks on 1 order)	Per End Office	Per Trunk
ULS Custom Routing	\$ 917.01	\$ 38.21
EOI Trunk Port	\$2,810.00	\$117.08
Facility between EO & Tandem	\$ 875.00	\$ 36.46
TOTAL	\$4,602.01	\$191.75

One Time Charges*

Billing changes	1000 hrs. x \$100/hr =	\$100K
Development /training	g line org (M&P)	\$ 900.00
Development/publishing customer documentation		\$ 1,500.00

^{*} These are regional, one time non-recurring charges which would be allocated amongst all ULS CLECs using Shared Transport